



PAY **FAIR**

Escrow solutions for the
blockchain era



Whitepaper

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1. What is Escrow?

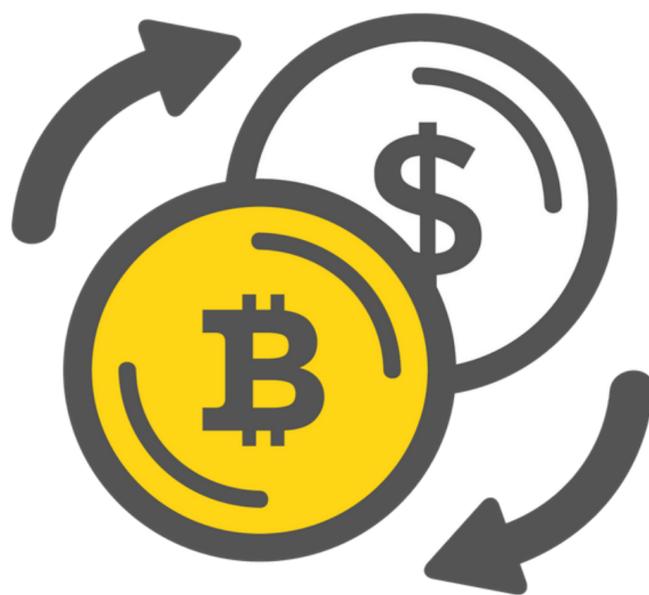
An escrow is a financial arrangement where a third party holds and regulates payment of the funds required for two parties involved in a given transaction. It helps make transactions more secure by keeping the payment in a secure escrow account which is only released when all of the terms of an agreement are met as overseen by the escrow company.



Escrows are very useful in the case of a transaction where a large amount of money is involved and a certain number of obligations need to be fulfilled before a payment is released like in the case of a website being built where the buyer might want confirmation of the quality of work being done before making a full payment, and the seller doesn't want to extend a massive amount of work without any assurance that he or she will receive payment. While traditional escrow service is quite difficult and must be obtained through banks and lawyers, Escrow.com provides online escrow services at affordable rates. While the payment is 'In Escrow' the transaction can be safely carried out without risk of losing money or merchandise due to fraud. This eliminates all legal jargon and allows for secure transactions and confident buyers and sellers.

2. Introduction

Payfair was created to facilitate and secure Cryptocurrency transactions. Payfair takes the risks out of buying and selling. Our software has been designed by industry experts to offer secure, simple escrow solutions. Parties to a transaction, contract Payfair as a trusted third party to mitigate the financial risks associated with day to day purchases and sale transactions. Transactions we provide are simple, safe and secure. We ensure that buyers get what they paid for while sellers and service providers have a safe transaction process.



2.1. Our gift to the blockchain

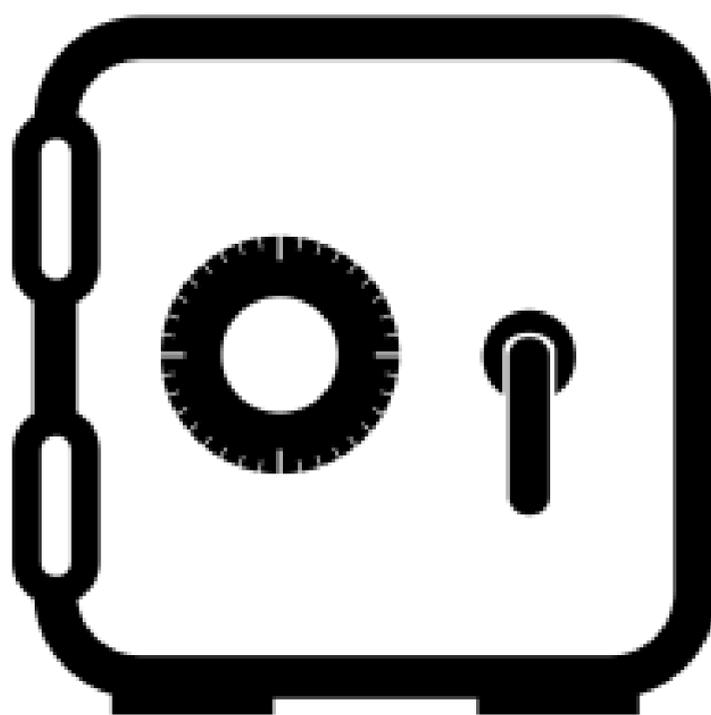
Payfair is the blockchains premier escrow service. We make it our business to protect all of our client's interests. Whether you are processing a multi-million dollar deal or simply sending a few Altcoins to a friend, Payfair ensures payment on delivery.

2.2 How we protect buyers

Gone are the days when a buyer is required to pay a deposit when they require a secure transaction. Buyers can now inspect the currency and the amount purchased, ensuring their satisfaction and then the final payment is made. The buyer's money is kept safe in an E-Escrow account, earmarked for a specific transaction. Once both parties agree to the particulars, a deal is made.

2.3 How we protect sellers

The seller can proceed with the transaction assured that the funds are available for payment and in escrow bank account. Sellers and service providers never have to chase up buyers for payment anymore. Satisfied buyers can instruct the immediate release of payment.



3. Next Generation Security

OVERVIEW

Buy and sell with sound peace of mind knowing the transaction process is completely transparent.



Transaction are processed at an average of 5x faster than traditional smart contracts.

Simple and easy to use.

Detailed explanations on how to accept the coin with the current payment gateway you are already using.



3.1 The Old System

Traditionally, Person A would send the funds to Person B, and in turn Person B sends the item to Person A to complete the trade. In a smart contract though there is an additional level of protection, unfortunately though it only protected the buyer.

When conducting a trade with a smart contract, Person A sends coins via an Escrow smart contract. Once it is settled within the smart contract, both parties must be in agreement for the coins to be released from the transaction. However if the buyer does not agree, the funds or coins are returned to the buyer after a time limit. There are huge discrepancies in smart contracts today because they only protect the buyers.

The smart contracts of today have been known to promote fraud from the buyers side. For example, a seller has shipped an item and the smart contract keeps the coins held in escrow until both parties agree to release them. Buyers have been known to not release the transaction, despite the fact they have received the item.

Any buyer can easily take advantage of huge flaws present in smart contracts. If confirmation is not received by both sides, the coins are eventually returned to the buyer when the time limit runs out. The seller has lost the product and hasn't been paid for it. If we continued the way we are, some companies will eventually will be out of business. We can clearly see that today's blockchain smart contracts aren't as smart as we first thought.

3.2 Escrow with Payfair

In our system, let's assume: we have a group chat. Person A and Person B are trading. Both ask Person C to send them an escrow identifier, Person C generates one (through his wallet) and pastes it in the chat, Person C also gets a unique hash password to control the outcome of the transaction.

Once both parties are happy, Person C releases the money. If either of the parties are unhappy, the transaction is held in escrow during the dispute process. It will be held there until a resolution has been determined.

Person A binds the transaction (`coin-cli generate payment [amount] [recipient's address] [escrow ID]`) to the escrow identifier who gives them the payment hash which can be seen at the blockchain explorer. Person B sends the item to Person A.

3.3 Both Parties are happy

Both parties ask the escrow to release the funds. Escrow executes the command: `coin-cli - release funds [escrow ID] [escrow PASSWORD]`

3.4 Disagreement over a transaction

In case of a dispute, escrow decides in favor of Person A, then he/she can execute `coin-cli return funds [escrow ID] [escrow PASSWORD]`, otherwise if Escrow sides with Person B, then `coin-cli - release funds [escrow ID] [escrow PASSWORD]`.

3.5 Sending money the old fashioned way

If a user wishes to send a transaction as a normal payment, a user has the option to do so.



4. Incentives For Token Holders

4.1 Earning tokens with Trust nodes

•Using the software and resources we will provide, you'll be able to earn more tokens. All members that enter a Trust node within our system will be rewarded for providing a safer system for everyone. The trust node becomes a useful part of the overall network and performs the important job of maintaining, updating, and securing the Payfair ecosystem.

The Trustnode payment structure

80%

Taken from Non-Escrow transaction fees are distributed back to Trustnode holders monthly

40%

Taken from Escrow transaction fees are distributed back to Trustnode holders monthly

4.2 Escrow nodes

Escrow nodes replace miners in our blockchain ecosystem. They run the network and record transactions in the ledger. The current state of similar nodes are amazing and has come a long way, but there are many features and community requests not yet available in current systems. The crypto community is aching for a next gen system, and Payfair will deliver it as follows:

Community and Connection: Current masternode systems do not allow participants to connect in any meaningful human-to-human way, so as to build community. Payfair's "Smart Wallet" technology will allow Escrow node holders to easily connect and communicate with other Escrow node holders (unless they wish to stay anonymous.) This new type of networking gives the PFR token a clear advantage over similar coins, because Escrow node holders can more easily organize themselves because they know who each other are.

5. The ICO

Funds raised both before and during the token sale will be used for the development and maintenance of the Payfair system.

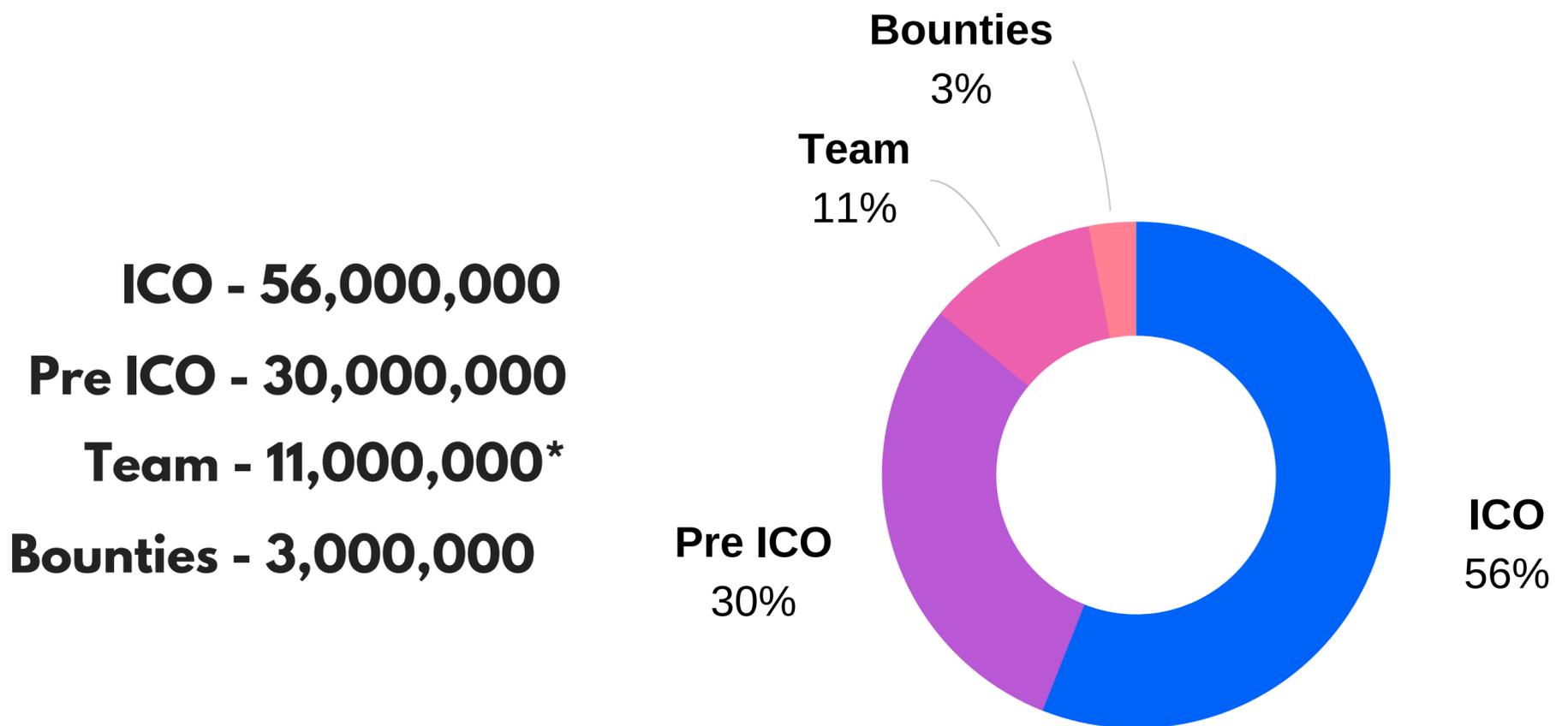
Pre-ICO > 01/10/2017 until 31/10.2017

ICO > 01/11/2017 until 01/12.2017

5.1 Token details

Token Symbol	PFR
Total Supply	100,000,000
What does the token represent	Allows holders of PFR to conduct in Escrow transactions on the Payfair platform
Price per Token	Individual Token price will be calculated after the end of the ICO
Hard Cap	\$170,000

5.2 Distribution



** Team tokens have a 12 month vesting period.*

The ICO will see all of the 56,000,000 tokens distributed between the investors.

The token price will be calculated from the total funds raised divided by the number of tokens.

After completion of the sale and following a full audit, the tokens will be distributed to investors. Split on a ratio to how much they have contributed.

6. Roadmap

